

UNITED STATES DISTRICT COURT

for the

Middle District of North Carolina

In the Matter of the Seizure of
(Briefly describe the property to be seized)

All funds on deposit up to a total of \$63,541.21 in TD Bank, N.A. account
number 825-3714890, in the business name of KIMS INC

Case No. 1:18 MJ 301

APPLICATION FOR A WARRANT
TO SEIZE PROPERTY SUBJECT TO FORFEITURE

I, a federal law enforcement officer or attorney for the government, request a seizure warrant and state under
penalty of perjury that I have reason to believe that the following property in the Middle District of
North Carolina is subject to forfeiture to the United States of America under 18 U.S.C. §

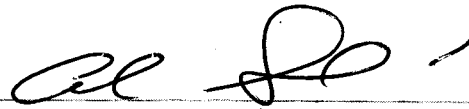
981(a)(1)(C) (describe the property):

All funds on deposit up to a total of \$63,541.21 in TD Bank, N.A. account number 825-3714890, in the business name of
KIMS INC

The application is based on these facts:

See attached Affidavit.

☒ Continued on the attached sheet.



Applicant's signature

Alberto Sanabria, Postal Inspector, USPIS
Printed name and title

Sworn to before me and signed in my presence.

Date: September 20, 2018

City and state: Winston-Salem, NC


Judge's signature
Joi Elizabeth Peake, United States Magistrate Judge
Printed name and title

Affidavit in Support of Application for Seizure Warrant

I, Alberto G. Sanabria, after being duly sworn, depose and state as follows:

1. I am a “federal law enforcement officer” within the meaning of Rule 41(a) of the Federal Rules of Criminal Procedure. I am a Postal Inspector with the United States Postal Inspection Service and have been so employed for approximately five years. I am currently assigned to the Greensboro, North Carolina Domicile and assigned to investigate various offenses, including bank fraud, mail fraud, and wire fraud. The pertinent statutes relating to this matter include Title 18, United States Code, Section 1343 (wire fraud). As a Postal Inspector, I have conducted or participated in investigations of alleged criminal violations of the above-stated statute.

2. I make this affidavit in support of the attached application under 18 U.S.C. § 981(a)(1)(C) for a seizure warrant for the following property:

All funds on deposit up to a total of \$63,541.21 at TD Bank, N.A. in account 825-3714890 in the business name of “KIMS INC”.

As set forth herein, there is probable cause to believe this property constitutes or is derived from proceeds of offenses in violation of 18 U.S.C. § 1343 and that the property is therefore subject to seizure and forfeiture pursuant to 18 U.S.C. § 981(a)(1)(C).

3. On 05/18/2018, the Durham Police Department Financial Crimes Division received a report from the City of Durham (COD) Financial Operations/Audit Services, in regards to a computer-related fraud incident.

4. COD maintained a contract with a company by the name of Nelson\Nygaard Consulting Associates, Inc, located in San Francisco, CA. As part of the contract, COD

made periodic payments to Nelson\Nygaard for its services.

5. On 10/20/2017, an employee with COD's account payables department received an email from "pjewel@nelsonnygaard.com." This email address appeared to be that of Paul Jewel, a legitimate employee of Nelson\Nygaard, whose email address is "pjewel@nelsonnygaard.com". Attached to the email from "pjewel@nelsonnygaard.com" was a COD Finance Department Accountant Services Division, Electronic Funds Transfer form for payment purposes. The form listed the new account contact as "William, Grant" of Salem, N.H., and included the TD Bank account number 825-3714890 as the new bank account where COD payments on the Nelson\Nygaard contract were to be sent.

6. As a result of this correspondence, employees with COD's account payables department authorized the following electronic transfers to TD Bank account number 825-3714890 for services rendered by Nelson\Nygaard:

<u>Date</u>	<u>Amount</u>
01/31/2018	\$15,381.60
02/07/2018	\$ 8,536.32
02/28/2018	\$24,212.30
03/16/2018	<u>\$15,410.99</u>
Total	\$63,541.21

7. In or about May 2018, COD personnel were advised by Nelson\Nygaard that Nelson\Nygaard had not received the payments listed in the preceding paragraph. COD personnel began an internal audit and reviewed the payment instructions received 10/20/2017.

8. Employees with Nelson\Nygaard denied sending the email and account change

request form. They additionally denied knowing a "William, Grant" of Salem, N.H and further denied any authorizations to have COD payments deposited into the TD Bank account number 825-3714890. As a result, COD personnel referred the matter to law enforcement.

9. During the investigation, I obtained and analyzed records maintained by TD Bank, N.A. regarding account number 825-3714890. Bank records confirm the four transfers matching the dates and amounts listed above totaling \$63,541.21 were deposited into the account. The TD Bank records also showed that business checking account number 825-3714890 was opened on November 03, 2016, in the business name of KIMS INC by Kamal Mardi, of Salem, New Hampshire. Mardi is listed as the authorized representative on the account. Additionally, Mardi listed a social security number ending in 7746 to open the account.

10. Law enforcement database searches confirm the social security number ending in 7746 was assigned to Mardi.


11. Business accounts maintained by TD Bank are federally insured through the Federal Deposit Insurance Corporation.

12. According to records of the New Hampshire Secretary of State, Corporations Division, KIMS INC, was formed in 2016. The registered agent is Kamal Mardi. KIMS INC filed one annual report in 2017 in which Mardi was listed as President of the corporation. The business address listed on the 2017 annual report as well as the initial filing is Mardi's address in Salem, New Hampshire.

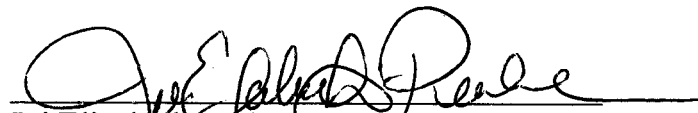
Conclusion

13. Based on my training and experience and the investigation described above, I submit there is probable cause to believe that four electronic funds transfers into the TD Bank business checking account of KIMS INC, in the total amount of \$63,541.21, are proceeds obtained in violation of 18 U.S.C. § 1343, and that all funds on deposit up to a total of \$63,541.21 in TD Bank account number 825-3714890 are therefore subject to seizure and forfeiture pursuant to 18 U.S.C. § 981(a)(1)(C).

FURTHER THIS AFFIANT SAYETH NOT.


Alberto Sanabria
Postal Inspector
United States Postal Inspection Service

SWORN TO and SUBSCRIBED before me
this the 20 day of September, 2018.


Joi Elizabeth Peake
United States Magistrate Judge
Middle District of North Carolina